



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

JUN 05 2012

Neil P. Reiff, Esq.
Sandler, Reiff, Young & Lamb, P.C.
1025 Vermont Avenue, N.W., Suite 300
Washington, DC 20005

RE: MUR 6582
(formerly RR 12L-04)
National Organization for Women
PAC and Allendra Letsome, in her
official capacity as treasurer

Dear Mr. Reiff:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission ("the Commission") became aware of information suggesting that the National Organization for Women PAC and Allendra Letsome, in her official capacity as treasurer ("the Committee"), may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). On February 3, 2012, the Committee was notified that it was being referred to the Commission's Office of the General Counsel for possible enforcement action under 2 U.S.C. § 437g. On May 22, 2012, the Commission found reason to believe that the Committee violated 2 U.S.C. § 434(b), a provision of the Act. Enclosed is the Factual and Legal Analysis that sets forth the basis for the Commission's determination.

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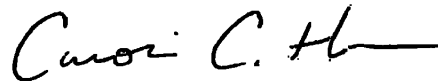
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In the meantime, this matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public.

Please note that the Committee has a legal obligation to preserve all documents, records, and materials relating to this matter until notified that the Commission has closed its file in this matter. See 18 U.S.C. § 1519.

We look forward to your response.

On behalf of the Commission,



Caroline C. Hunter
Chair

Enclosures
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

**RESPONDENT: National Organization for Women PAC and
Allendra Letsome, in her official capacity
as treasurer**

MUR: 6582

I. GENERATION OF MATTER

This matter was generated based on information ascertained by the Federal Election Commission ("Commission") in the normal course of carrying out its supervisory responsibilities, *see* 2 U.S.C. § 437g(a)(2). The Reports Analysis Division ("RAD") referred the National Organization for Women PAC and Allendra Letsome, in her official capacity as treasurer, ("Committee") to the Office of the General Counsel ("OGC") for failing to disclose, in the aggregate, \$82,953.49 in receipts and \$143,899.65 in disbursements. In total, the Committee filed 30 erroneous disclosure reports with the Commission from 2008 to 2011. In response, the Committee acknowledged the reporting errors but requested that the Commission take no further action and send the Committee an admonishment letter, or alternatively refer the matter to Alternative Dispute Resolution. Based on the available information, the Commission has determined to open a MUR in connection with ER 12L-04 and find reason to believe that the Committee violated 2 U.S.C. § 434(b) by failing to disclose accurately receipts and disbursements in reports to the Commission.

II. FACTUAL AND LEGAL ANALYSIS

A. Factual Background

From March 28 to 30, 2011, the Committee amended 30 reports to the Commission to disclose additional receipts totaling \$82,953.49 and additional disbursements totaling \$143,899.65. These amendments are reflected in the chart below.

Report	Date of Amendment	Increased Receipts	Increased Disbursements	Total
2008 February Monthly	March 28, 2011	NA	\$2,279.75	\$2,279.75
2008 March Monthly	March 28, 2011	\$1,755.10	\$2,014.93	\$3,790.03
2008 April Monthly	March 28, 2011	\$2,118.00	NA	\$2,118.00
2008 May Monthly	March 28, 2011	\$415.95	NA	\$415.95
2008 June Monthly	March 28, 2011	\$7,374.00	\$5,927.81	\$13,301.81
2008 July Monthly	March 28, 2011	\$282.00	\$8,507.95	\$8,789.95
2008 August Monthly	March 28, 2011	\$1,667.30	\$18,000.00	\$19,667.30
2008 September Monthly	March 28, 2011	\$27,181.81	\$23,000.00	\$50,181.81
2008 October Monthly	March 28, 2011	\$14,353.78	\$13,907.75	\$28,261.53
2008 12 Day Pre-General	March 28, 2011	NA	\$23,000.00	\$23,000.00
2008 30 Day Post-General	March 28, 2011	\$17,121.51	\$21,000.50	\$38,122.01
2008 Year-End	March 28, 2011	\$363.60	\$17,000.00	\$17,363.60
2009 February Monthly	March 28, 2011	\$247.00	NA	\$247.00
2009 March Monthly	March 30, 2011	\$2,225.00	NA	\$2,225.00
2009 April Monthly	March 30, 2011	\$1,225.00	\$1,000.00	\$2,225.00
2009 May Monthly	March 30, 2011	\$947.05	\$390.00	\$1,337.05
2009 June Monthly	March 30, 2011	\$1,274.29	\$49.11	\$1,323.40
2009 December Monthly	March 30, 2011	\$221.15	\$2,770.25	\$2,991.40
2009 Year-End	March 30, 2011	\$424.48	NA	\$424.48
2010 February Monthly	March 30, 2011	\$388.98	\$1,700.45	\$2,089.43
2010 March Monthly	March 30, 2011	\$293.74	NA	\$293.74
2010 April Monthly	March 30, 2011	\$319.84	NA	\$319.84
2010 May Monthly	March 30, 2011	\$275.17	\$136.99	\$412.16
2010 June Monthly	March 30, 2011	\$521.00	\$434.41	\$955.41
2010 July Monthly	March 30, 2011	\$178.00	NA	\$178.00
2010 August Monthly	March 30, 2011	\$198.00	NA	\$198.00
2010 September Monthly	March 30, 2011	\$450.13	\$129.30	\$579.43
2010 12 Day Pre-General	March 30, 2011	\$648.59	\$2,650.45	\$3,299.04
2010 Year-End	March 30, 2011	\$15.00	NA	\$15.00
2011 February Monthly	March 30, 2011	\$468.02	NA	\$468.02
TOTAL		\$82,953.49	\$143,899.65	\$226,873.14

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1 Following these numerous amendments, on October 13, 2011, RAD sent the Committee a
2 Request for Additional Information ("RFAI") inquiring about the increased activity disclosed on
3 these reports. Letter from Kevin Fortkiewicz, Campaign Finance Analyst, Federal Election
4 Commission, to Allendra Letsome, Treasurer, National Organization for Women PAC (Oct. 13,
5 2011) (on file at www.fec.gov). The RFAI noted that the amended reports disclosed a
6 substantial increase in the amount of receipts and disbursements relative to those disclosed in the
7 original reports. *Id.* It further requested that the Committee either amend the reports or provide
8 an explanation to clarify why the additional activity was not provided in the original reports. *Id.*
9 In response to the RFAI, the Committee filed a Miscellaneous Text Submission (Form 99)
10 explaining that the Committee had conducted a comprehensive, voluntary internal audit of all
11 financial reporting from 2008 to present and had filed amendments to correct reporting
12 discrepancies discovered during that audit. National Organization for Women PAC, Form 99
13 (filed Nov. 9, 2011).

14 RAD referred the Committee to OGC for failing to disclose receipts totaling \$82,953.49
15 and disbursements totaling \$143,899.65. Upon receipt of the Referral, OGC notified the
16 Committee about this matter on February 3, 2012. *See Agency Procedure for Notice to*
17 *Respondents in Non-Complaint Generated Matters*, 74 Fed. Reg. 38617 (Aug. 4, 2009).

18 In response to the Referral, the Committee again acknowledged the reporting errors. *See*
19 Letter from Neil Reiff, Counsel for National Organization for Women PAC and Allendra
20 Letsome, to Erik Morrison, Office of the General Counsel, Federal Election Commission
21 (Mar. 23, 2012). The Committee requested, however, that the Commission take no further
22 action and send the Committee an admonishment letter, or alternatively refer the matter to ADR.
23 *Id.* at 1, 3. The Committee explained that the Committee's current officers and compliance staff

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1 came into office after a contested election in July 2009, and did not discover that the
2 Committee's reports contained errors until several months later. *Id.* at 2. The Committee stated
3 that the current officers and compliance staff were not able to discuss the circumstances
4 regarding the errors with the prior officers, but undertook a project to review and correct all
5 reports filed with the Commission beginning on January 1, 2008. *Id.* The Committee further
6 stated that it is in the process of refining its procedures to prevent future errors, including
7 training and review by an outside campaign finance consultant. *Id.* at 3. The Committee also
8 noted that the majority of increased activity consisted of internal transfers between the National
9 Organization for Women and the Committee, not direct contributions or disbursements. *Id.* at 2.
10 Finally, the Committee noted that, at the time the current officers took control of the National
11 Organization for Women, it was approximately \$1,000,000 in debt, and the Committee remains
12 "a relatively moribund organization" with continuing financial difficulties. *Id.*

13 B. Legal Analysis

14 The Federal Election Campaign Act of 1971, as amended ("the Act"), requires committee
15 treasurers to file reports of receipts and disbursements in accordance with the provisions of
16 2 U.S.C. § 434. *See* 2 U.S.C. § 434(a)(1); 11 C.F.R. § 104.1(a). These reports must include,
17 *inter alia*, the total amount of receipts and disbursements. *See* 2 U.S.C. § 434(b); 11 C.F.R.
18 § 104.3. The Act also requires committees to disclose itemized breakdowns of receipts and
19 disbursements; and disclose the name and address of each person who has made any contribution
20 or received any disbursement in an aggregate amount or value in excess of \$200 within the
21 calendar year, together with the date and amount of any such contribution or disbursement. *See*
22 2 U.S.C. § 434(b)(2)-(6); 11 C.F.R. §§ 104.3(a)(3)-(4), (b)(2)-(4).

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1 Here, the Committee did not comply with the Act's reporting requirements when it failed
2 to disclose \$82,953.49 in receipts and \$143,899.65 in disbursements on its 30 original reports
3 listed above. Accordingly, the Commission has determined to find reason to believe that the
4 National Organization for Women PAC and Allendra Letsome, in her official capacity as
5 treasurer, violated 2 U.S.C. § 434(b).

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